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LXXVIII of a series of Century old cities - Camden, N.J.

Frederick C. Crawford Examines "Post-War Prospects for Business"
"How's Business?" Summarized . . . . Regional Trade Analyzed

CAMDEN, N. J.—PHOTOGRAPH BY HUGHES, COURTESY CAMDEN CHAMBER OF COMMERCE

Contents—September 1943

THE COVER: *Founded in 1691, Camden gradually has increased in size and importance until it has become one of the foremost industrial cities of New Jersey. The community, facing Philadelphia on the Delaware River, was early settled by the Quakers and consisted for a century of a little group of houses around the ferry. In 1773, Jacob Cooper laid out a town and named it after Lord Chancellor Camden, one of the strongest opponents of the Stamp Act.*

Until 1829, when the settlement, with a population of 1,143, was incorporated, it was part of the town of Newton, Gloucester County. During the British occupation of Philadelphia, a British force also was stationed at Camden and it was the scene of several skirmishes. Walt Whitman, noted poet, lived here.

Boasting a population of 117,536 in 1940, Camden had 290 industrial establishments in 1939, employing 29,028 persons who produced goods valued at $222,708,417. Its 136 wholesale establishments did $27,871,000 worth of business; the 2,116 retail shops, $49,282,000, and the 753 service enterprises, $3,643,000.

The cover print, from an engraving made between 1838 and 1844, shows Camden as seen from the Walnut Street Ferry, Philadelphia; it appears through the courtesy of the Camden Public Library. In the foreground is Windmill Island, removed by the U. S. Government as part of its improvement of the river channel.

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FREE LANCE PHOTOGRAPHERS GUILD

WHAT ARE THE POST-WAR PROSPECTS *for* BUSINESS *in this* COUNTRY?

F. C. CRAWFORD

President, Thompson Products, Inc.
President, National Association of Manufacturers

This is one of a series of articles by leaders in various fields expressing their personal viewpoints regarding subjects of unusual interest or significance to the business world. It should be emphasized that the purpose of this series is to present diversified and representative opinions of men whose varied backgrounds and points of view have created decided, and often conflicting convictions.

IT may not be generally realized that Congress is about to pass a life-or-death sentence on the system of free private enterprise in the post-war world.

In legislating for the termination of war contracts and for the disposal of Government plants and surplus war supplies, Congress is shaping instruments which may either set industry free or wreck it.

In enacting a policy for the peacetime termination of some $50,000,000,000 of current war contracts Congress may leave a private contractor indefinitely paralyzed or may enable him to get funds due to reconvert his business to peacetime employment immediately.

Congress also has before it various proposals to dispose of some $50,000,000,000 of surplus war supplies which the Government will probably be holding currently when the last shot is fired. Unless these supplies are disposed of in an orderly fashion they will paralyze the post-war markets and employment indefinitely. Finally, it would effectively disrupt the post-war economy if the $15,000,000,000 of Government plants are either operated by Government in competition with private enterprise or are auctioned off to competitors of existing companies at prices which give the new competitors an unfair advantage.

These war commitments may be liquidated by the Government either inadvertently or deliberately so that they may usher us into a free or into a controlled economy.

On behalf of the National Association of Manufacturers I make two principal arguments for a return to free enterprise. One is our war performance. The

other is our post-war planning undertaken by men who know what it is to run an enterprise and who must make their own plans work.

The war performance of private industry did not originate in Washington. It was brought there by top-flight business men, at the call of their country. They are the sort of men whose management of private enterprise has given us the highest standard of living in the world.

In planning to resume the job in peacetime, they are willing to cooperate with anyone going the same way; but as employers of one-quarter of the entire working population, they have a responsibility which can not be deputized. The block of employment which is involved, would disrupt the whole system if mishandled.

At present we might describe ourselves as half-way to a controlled economy. There is enough control to deflect enterprise into war production, but not enough to control it in peacetime. When the last shot is fired, we must either return to freedom or go all the way under control.

That is where the Government commitments in war contracts, plants, and supplies may become decisive instruments in determining the peacetime outcome. Congress may adequately safeguard private industry, or Congress may leave it exposed to such an exit from the war that it will fail in its first test for survival, that is, in providing full and steady employment.

Government has not enough present control to run enterprise. But it has enough to ruin it. It would be necessary to ruin it in order to take it over and the suggestion is not wanting in high places in and out of the Administration that this is the great opportunity.

I have not enough space to present the achievements of private enterprise. It should not be necessary. I wish simply to point out that it is seriously proposed to turn the economy of this country over to political Government bureaus with no practical experience. That would mean another costly series of business lessons for Government which may recall the NRA and the convulsions of the present shifting wartime controls multiplied manifold.

The choice is simple. Either you turn business men loose, as in the past, guided by the instinct of self-preservation and the incentive of fair profit to let them find out what business conditions are and to adjust themselves alertly and continuously. Or you turn business over to a Government administration which will ponderously look into business conditions and order such adjustments as it may be able to think up when things get into a jam.

The only solution for the Government amateurs is to control completely. If they level out the standard of living instead of raising it we will never miss what they don't attempt and the jobless will be put on "made" public works.

Such an economy can't be run on a basis of political liberty because a reverse for the party in power would convulse the entire system. The whole economy would have to go into reorganization on the day after election. Therefore, elections would have to be eliminated. Getting into a collective economy is a mistake which we can make only once. We will never get a chance to rectify it.

That is the momentous hazard which underlies the war liquidation measures now before Congress.

TRIBOROUGH BRIDGE WITH NEW YORK IN BACKGROUND—CUSHING PHOTO

HOBART PHOTO FEATURES

EFFECTS OF THE WAR ON THE NUMBER OF BUSINESS ENTERPRISES

WILLIAM HAYES
Research and Statistical Division
DUN & BRADSTREET, INC.

IN the business population of the United States as reflected by the number of names listed in the DUN & BRADSTREET REFERENCE BOOKS two fairly distinct directions of trend are apparent in the last eight years. From the end of 1935 to the end of 1941 the number of listings expanded quite steadily, the gain for the six-year period amounting to a little over 10 per cent.

After the entry of the United States into the war the business population began a decline which has continued up to the July 1943 data. In about a year and a half the shrinkage has amounted to over 7 per cent of the number of concerns listed in November 1941. There are now about 2 per cent more concerns in business in the United States than there were at the end of 1935.

How the various States have fared during these periods of increase and decline of the business population is shown in the accompanying tabulation. The percentage changes given in the table were computed from the number of names contained in the DUN & BRADSTREET REFERENCE BOOKS (which list and rate for credit purposes a major fraction of all business concerns in the United States) for November 1935, November 1941, and July 1943.

Different Bases Used

For example, there were 9,282 concerns listed in the District of Columbia in the November 1935 book; by November 1941 the number had risen to 10,218; and in July 1943, there were 10,516 concerns listed. The percentage change from November 1935 to November 1941 (calculated with the figures for November 1935 as the base) was +10 per cent while the change from November 1941 to July 1943 (which was calculated with the figures for November 1941 as the base) was +3 per cent. Because of the use of the two different bases in computing these changes, the net change from November 1935 to July 1943 (which is calculated on the November 1935 figures as the base) may, of course, not equal the sum of the two changes reported in the period covered.

The REFERENCE BOOKS issued in November 1935, November 1941, and July 1943 were selected as representing approximately the beginning of the post-depression peace-time expansion in business-population; the end of that period and the beginning of the war-time decline in the number of concerns in business; and the latest date for which figures are available.

As explained in "Characteristics of the Data" (page 10), the figures taken from the DUN & BRADSTREET REFERENCE

Books were not originally collected as vital statistics of business, but are by-products of Dun & Bradstreet's credit reporting service. They have, therefore, many limitations as statistics, despite which they are probably the best indicators available of current changes in the business population.

The tabulation of changes by States reveals that only two areas—Maryland and the District of Columbia—have enjoyed an increase in the number of concerns in business since the United States entered the war. These gains, obviously, reflect the enormous increase of Government personnel in Washington, D. C., and its environs, and the consequent need for business enterprises to supply them. The district and State, of course, improved their relative positions substantially.


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Several States Retain Growth

There are a few States which had been doing well before the Japanese bombed Pearl Harbor—Connecticut, Illinois, North Carolina, and South Carolina—which have retained most of the population growth which they made previously.

Several States of the deep South, and one in the Southwest—Georgia, Alabama, Mississippi, Louisiana, and Arizona—have incurred slight losses of business population in the last year and a half, but have improved substantially their relative positions since November 1941. Doubtless the large army camps and military centers established in these

Changes in Business Population, 1935-1943

As indicated by the number of names listed in Dun & Bradstreet *Reference Books*

	Percentage Change Nov. '35-Nov. '41	Nov. '41-July '43	Nov. '35-July '43
New England			
Maine	1	−8	−7
New Hampshire	−6	−12	−17
Vermont	10	−14	−5
Massachusetts	8	−9	−2
Rhode Island	8	−5	2
Connecticut	17	−5	12
Middle Atlantic			
New York	10	−7	2
New Jersey	3	−6	−3
Pennsylvania	4	−7	−4
East North Central			
Ohio	1	−7	−6
Indiana	11	−8	2
Illinois	17	−4	13
Michigan	20	−6	13
Wisconsin	10	−6	4
West North Central			
Minnesota	11	−6	5
Iowa	6	−13	−8
Missouri	8	−8	0
North Dakota	2	−6	−4
South Dakota	−7	−4	−10
Nebraska	1	−16	−15
Kansas	3	−14	−12
South Atlantic			
Delaware	17	−7	9
Maryland	1	1	1
Dist. of Columbia	10	3	13
Virginia	8	−6	2
West Virginia	8	−9	−2
South Atlantic—(*Cont'd*)			
North Carolina	16	−5	11
South Carolina	21	0	21
Georgia	9	−5	3
Florida	33	−13	16
East South Central			
Kentucky	13	−8	4
Tennessee	11	−8	2
Alabama	11	−4	6
Mississippi	13	−5	8
West South Central			
Arkansas	2	−8	−6
Louisiana	13	−3	10
Oklahoma	1	−14	−13
Texas	15	−14	−1
Mountain			
Montana	10	−13	−5
Idaho	7	−15	−9
Wyoming	20	−13	4
Colorado	3	−11	−9
New Mexico	37	−18	12
Arizona	13	−3	9
Utah	13	−7	5
Nevada	24	−9	13
Pacific			
Washington	9	−11	−3
Oregon	29	−7	20
California	24	−7	15
United States	10	−8	2

Characteristics of the Data

Because the figures on listings in Dun & Bradstreet Reference Books are country-wide and continuous, they are unique as indicators of trends and developments in the business population. They are, however, by-products of the commercial reporting function of Dun & Bradstreet, Inc., and for that reason they have certain limitations as statistics. In using them it should be remembered that:

1. Fields Represented. In general, the business enterprises listed in the Reference Books include concerns of the type which Dun & Bradstreet observes—largely industrial and commercial enterprises. They do not include many financial institutions, railroads, and some types of service organizations because such enterprises do not buy for resale or for conversion into manufactured products. Chain stores appear as single concerns; the individual stores are not listed separately.

2. Duplications. Branches are listed as well as parent organizations, but branches are not sufficiently numerous to affect the total figures appreciably.

3. Time Lag and Omissions. Some concerns in large cities are not added promptly to the Reference Book because they do not ask immediately for credit; similarly some concerns in small communities may not be listed in or removed from the Reference Book until the reporter makes his periodic trip through that territory. There are also many ventures considered too small to be included in the Reference Book at all.

4. Territorial Variations. Although the attempt is made to keep uniform the reporting of enterprises inaugurated or discontinued, some variations in the completeness of the coverage are inevitable because of: (a) geographical reasons, (b) transportation problems, (c) differences in human beings, and (d) the impossibility of maintaining a detailed current check on such far-flung operations.

Despite these limitations, the figures are believed valuable not only as indicators of trends, but also as tested measures of the extent of changes in business populations.

regions were responsible for maintaining the number of retail establishments at a comparatively high level. The States which achieved the best percentage gains in business population from 1935 to 1941—New Mexico, Florida, Oregon, and California—have suffered substantial declines since then in number of business enterprises.

It does not necessarily follow that total trade has declined in States showing a decline in business population. It may well be that here are fewer concerns but that the volume of business being done by those which remain is as high or higher than before.

It was noted by Messrs. Hicks and Crowder, in their recent study of "Small Retail Store Mortality" for the United States Department of Commerce, that "Contrary to popular opinion, cases of discontinuance among small retail stores often are more prevalent in areas with expanding war activities than in sections undergoing less economic change. On the other hand, the opening of new stores appears more general in stable areas without war activity than in boom sections. The explanation for this is that more favorable opportunities for employment are to be found in booming sections. Thus the better-paying jobs in war plants have the effect of encouraging small retailers to close and of discouraging prospective retailers from opening."

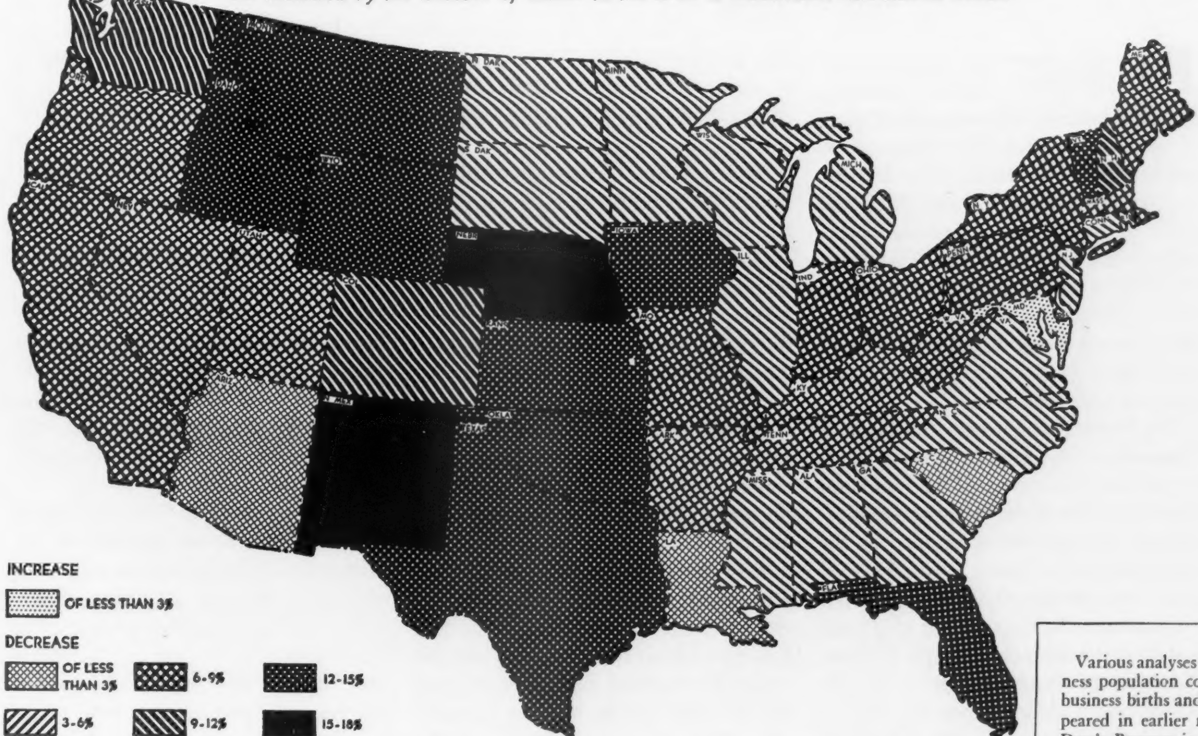
PHOTO FROM FREDERIC LEWIS

Perhaps this is the reason that South Dakota, which had the largest percentage loss of business population of any State in the pre-war period, and which has relatively little war activity, lost only half as large a percentage in the last eighteen months as in the previous six years.

These are only a few of the more striking and interesting changes in business populations shown by the table. They are by no means a comprehensive list. Merchants and manufacturers who are striving to adjust their operations to wartime conditions, or who are laying plans for post-war marketing, will find that detailed study of the figures will reveal many other shifts of interest and importance to their businesses.

Wartime Changes in the Number of Enterprises, Nov. 1941—July 1943

As indicated by the number of names in the Dun & Bradstreet Reference Books



The number of concerns in business in the United States has shrunk more than 7 per cent from the number listed in November 1941, but constitutes about 2 per cent more firms than were operating at the end of 1935.

Various analyses of the business population count and of business births and deaths appeared in earlier numbers of Dun's Review in articles by Willard L. Thorp, Walter Mitchell, Jr., William A. Rothman, Dorothy S. Davis, and William Hayes of the Research and Statistical Division of Dun & Bradstreet, Inc. Most of the numbers containing these studies are still available. The original data is gathered by the Reference Book Department through the branch offices of the company.

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PRICE CONTROL WORRIES *in Days of Yore*

ALBERT GRAY

IN the early months of 1776 petitions flooded the Massachusetts Assembly asking legislative action to prevent merchants and farmers from charging exorbitant prices for their goods. In June the Assembly passed a resolution prohibiting the shipment of provisions outside the State. Three months later this prohibition was extended to cover lumber. Already it had become apparent that no one State, acting alone, could successfully oppose the spiraling living costs of that war period.

On November 19, 1776, the General Assembly of Connecticut, at Hartford, passed an act to prevent "the rapid and exorbitant rise of the necessities of life," which "were chiefly occasioned by the monopolizers of provisions, a class of men who preferred their own profit and gain to the interest and effort and safety of the country." Wages for farm labor in the Summer were set as "not exceeding 3 shillings per day and in proportion at other seasons of the year. The labor of mechanics to be reduced in the same proportion. Wheat, not exceeding 6 shillings per bushel; rye, 3 shillings and 6 pence; Indian corn, 3 shillings; good merchantable wool, not exceeding 2 shillings per pound; cheese, 6 pence per pound; Fall butter, 10 pence per pound."

On the last day of that year the representatives of the New England States gathered at Providence to determine the prices for that part of the country, while the Continental Congress, assembled at Philadelphia, saw in such a method a simple escape from the mounting economic difficulties and consequently passed a resolution recommending the plan to the remaining States.

Two months after the passage of the Connecticut price control law, Massachusetts enacted a statute, in part as follows: "Be it further enacted by the authority aforesaid that the following articles shall not be sold for a higher price than is herein hereafter settled and fixed to them." Then followed a catalogue of items with prices substantially those set out in the Connecticut enactment.

A week before the Continental Congress sponsored these price fixing laws, John Adams, a member of that body, wrote his wife at Boston, "The attempt of New England to regulate prices is extremely popular in Congress. For my own part I expect only a partial or temporary relief from it and I fear that after a time the evils will break out with a greater violence. The matter will flow with a greater rapidity for having been dammed for a time."

In April, 1777, Abigail Adams wrote her husband: "There is a general cry against the merchants, against monopolizers, etc., who, 'tis said, have created a partial scarcity. That a scarcity prevails of every article, not only of luxuries, but even the necessities of life, is a certain fact. Everything bears an exorbitant price. The act, which has in some measure retarded and stemmed the torrent of oppression, is now no more heeded than if it had never been. . . . By your accounts of board, housekeeping, etc., I fancy you are not better off than we are here."

The high prices that bore heavily on the Colonists were no less burdensome to the people of New York during the occupation by the British.

In Philadelphia severe measures were adopted for preventing the further rise of prices. At a public meeting in May, 1779, it was resolved unconditionally to "insist and demand that the advance or monopolized price for the present month be taken off," and a committee was appointed to determine and publish from time to time the commodity prices of that vicinity.

On the morning of June 17, 1779, at Boston, people awoke to find the city plastered with broadsides, to wit: "Sons of Boston. Sleep no longer! . . . Rouse and catch the Philadelphia spirit. Rid the community of those monopolizers and extortioners who, like canker worms, are gnawing upon your vitals. . . . Public examples at this time will be public benefits. . . . Vengeance.

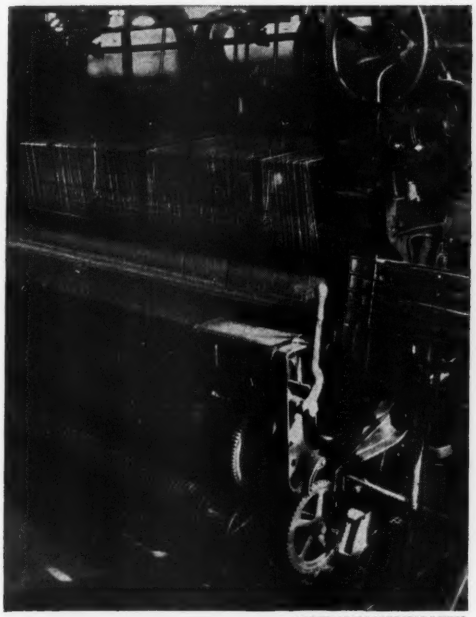


PHOTO FROM FREDERIC LEWIS

The Loom

Intricate as thought
And twice as subtle
The bright threads caught
In the darting shuttle
Challenge the mind
To follow the weft
As bobbins unwind
To the right and left.

Since man has gotten
The magic tool
Wood and cotton
Glass and wool
Cover the hide
Of the rich and poor
Designed for pride
And temperature.

A. M. SULLIVAN

N.B. Lawyers, keep yourselves to yourselves."

At Albany a committee was appointed to regulate prices. Two overzealous merchants, who sold rum for more than the ceiling price, were forced to confess on their knees before the scaffold.

In September, 1777, before the price fixing experiment in Massachusetts had been tried a year, John Adams had written, "The improvident act for limiting prices has done great injury and in my sincere belief, if not repealed, will ruin the State and introduce civil war. I know not how unpopular this sentiment may be; but it is sincerely mine."

When the Connecticut price law was enacted in January, 1777, beef was selling at 4 pence a pound and Indian corn at 4 shillings a bushel. Within six months the price of both corn and beef had doubled; by January, 1778, beef was 10½ pence and Indian corn 18 shillings; in January, 1779, beef was 22 pence and Indian corn 52 shillings and in January, 1780, three years after the law was passed, beef was selling at 105 pence and corn at 160 shillings a bushel.

The efforts in Revolutionary days to control prices merely echoed those of the early years in the seventeenth century when the Governor and Council in Massachusetts fixed the price of beaver at 6 shillings a pound and followed that legislation with a prohibition against the sale of corn to the native Indians, the sole source for beaver skins. "No corne, no beaver," said the Indians, and the price of beaver advanced to 10 and 20 shillings.

Commissioners Set Price

In the archives of the University of Oxford are the records of the clerks of the markets in England during this period. There, too, a Board of Commissioners was appointed not only to fix prices but the weight of bread as well. On the 9th of September, 1647, the market price of corn was 49 shillings and 4 pence a "quarter" (eight bushels). On that day in the records of these clerks it was entered that the commissioners "agreed the price to be 47 shillings a quarter. Malt being at 17 shillings 4 pence the quarter, the barrel of double beer is to be at 8 shillings 8 pence."

A century before this the English also were struggling to produce price fixing laws that would so operate as to fix prices.

In medieval England early price fixing methods were unquestionably influenced by a law of Charlemagne, the Frankfort Capitulary, dated at the beginning of the ninth century. Here appears the earliest record of price control technique that, though far from achieving the utopia sought by the advocates of governmental price regulation, did, by a sliding scale, serve to stabilize wages and staple commodities.

The value of some basic commodity, corn or wheat, was determined in an open competitive market. From that price wages were computed by considering the amount of the staple necessary for a worker and his family. From that competitive price, too, was set the price of the other great medieval commodity, ale.

Fixed by Ordinance

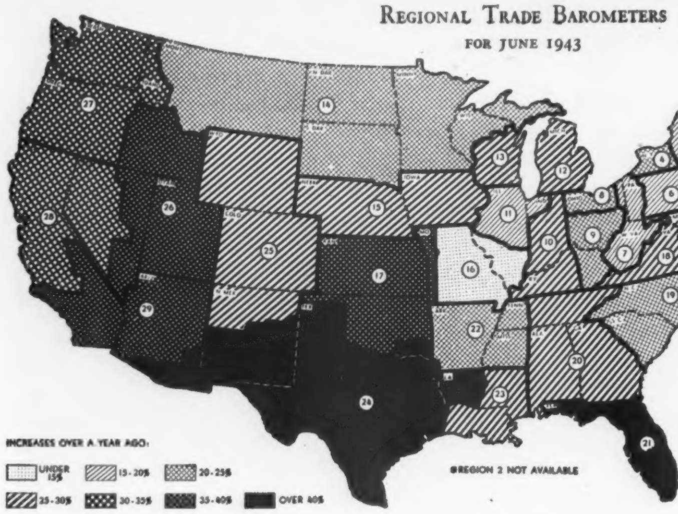
In the reign of Edward I of England, in the thirteenth century, the prices of beef, mutton, pork, and poultry were fixed by town ordinance, as well as bread, ale, and wine. "In limiting the price of bread," writes William Ashley in his *English Economic History,* "it was not attempted to establish an invariable standard, but only a sliding scale, according to which the weight of the farthing loaf should vary with the price of the quarter of wheat."

In the Assize of Bread and Ale, probably enacted in 1267, is a scale proportioning the price of bread to the price of a "quarter" of wheat, varying the price from 12 pence to 12 shillings. "The baker in every quarter of wheat may gain 4 pence and the bran, together with two loaves for the furnace (for the cost of the oven or for oven dues); 3 half pence for three servants and a half penny for two lads (apprentices),

(Continued on page 34)

Regional Trade Barometers

for June 1943



Retail Sales

Seasonally Adjusted Index; 1935-1939 = 100. U S Dept of Com

	1940	1941	1942	1943
January	113.3	130.3	149.7	156.7
February	114.6	136.6	144.3	179.2
March	115.9	135.5	142.8	[illegible]
April	113.8	[illegible]	[illegible]	156.8
May	116.0	[illegible]	[illegible]	156.8
June	117.5	139.0	140.5	162.4
July	117.1	144.7	146.2	163.8
August	[illegible]	153.8	151.5	
September	115.4	139.8	146.1	
October	117.2	133.9	150.0	
November	123.4	142.0	155.0	
December	124.5	138.3	144.4	

Income Payments to Individuals

Seasonally Adjusted Index; 1935-1939 = 100; U. S. Dept. of Com.

	1940	1941	1942	1943
January	110.4	121.3	155.5	196.7
February	110.7	123.5	157.4	[illegible]
March	110.4	125.4	159.3	204.9
April	110.8	128.2	163.3	208.0
May	112.4	133.7	[illegible]	208.7
June	112.5	138.9	[illegible]	211.3
July	113.1	140.3	172.6	213.8
August	114.1	[illegible]	176.0	
September	115.6	144.4	177.9	
October	[illegible]	146.3	182.8	
November	117.7	147.5	189.4	
December	120.6	153.9	193.7	

THE *Underlying* TREND

Summary: Production, trade, and employment continued at high levels. Retail inventories are running about 30 per cent under the high 1942 levels, while wholesalers are finding it difficult to maintain their inventories. Dividend payments registered a slight decline.

INDUSTRIAL output in July returned to the established peak level after a drop of one point in the previous month, the first decline in three years. Production of essential war products continued in strong volume with chemicals an important factor in pushing munitions output upward. Over-all civilian goods, however, failed to fluctuate from June to July, especially in textiles, leather, and manufactured food products. Certain semi-durable civilian items, in accordance with the trend toward releasing restricted amounts of scarce metal supplies for those items classified as essential by the War Production Board, registered increases.

There have been some cutbacks in war production items to absorb excessive inventories. A number of industries reported a decrease in new orders, and some cancellations, but most of them were not making any great progress in cutting down backlogs. An increase in backlogs in June of 2 per cent over May was the first since February. New orders in June increased 15 per cent over the previous month, but dropped 2 per cent below the same month last year. The month-to-month gain was entirely in durable goods lines and was attributed to new business in the electrical machinery industry. Non-durable industries rose but 1 per cent from May and 15 per cent over last June. Shipments of manufacturers increased 4 per cent in the month and 27 per cent over a year ago, with durable and non-durable goods up 1 and 6 per cent from last month and 34 and 18 per cent from last year respectively.

The automobile industry has been increasing deliveries of aircraft, tanks, guns, marine equipment, and munitions with shipments running in excess of $725 million monthly. Munitions output flattened in May, June, and July, with production in June 2 per cent above May, and July slightly higher than the June figure. Airplane production in July was the highest on record although behind expected schedules. The 4 per cent rise in the month indicated an upward trend. Steel output was 3 per cent above July 1942. Ship construction in July totalling 1,670,700 deadweight tons, accounted for 158 new vessels, 7 less than the previous month but with approximately the same tonnage. This brings the total for the first seven months of 1943 to 1,046 new boats and 10,485,500 deadweight tons. New machine tool orders dropped 21 per cent in June and about 19 per cent in July. Aluminum output continues high; 73,292,000 pounds produced in Government-owned plants in July.

Labor and material shortages, wage differences, and technical changes have resulted in holding down further expansion of non-durable goods production. Regardless of absenteeism temporary replacements have kept production up to former levels. Cotton consumption dropped in July to the smallest quantity since February 1941.

War contract distribution to States is now declining to pre-war levels. Contracts awarded in April were $5.3 billion in contrast with $7.5 billion in March. Aircraft awards registered the largest drop. The East North Central States had the largest contract gain with Michigan at the head, totalling $904 million, followed by Illinois, Indiana, and Ohio. In the East, New York led with over $647 million. California awards dropped the most, from 5 per cent to less than 1 per cent, indicating a sharp decline in Pacific Coast awards.

Inventories Dip Sharply

Total business inventories in June dropped 2 per cent below the previous month, over $650 million, the largest monthly decline since 1939. This is 9 per cent below June of last year. The greatest drop occurred in retailing where inventories are running more than 30 per cent under the high 1942 levels, as retailers' stocks are steadily worked down by excessive consumer demands. Wholesale inventories dropped 3 per cent in June after having remained fairly steady for the past five months; they were 16 per cent below a year ago. Manufacturing inventories registered the least month-to-month decline, 1 per cent, and rose only fractionally above a year ago. The greatest reduction took place in non-durable goods.

A drop of over 40 per cent in new construction for the first six months of 1943 from the corresponding period of last year, and 1 per cent below May was reported by the Department of Commerce. The only field which did not suffer was defense housing.

Employment in durable goods lines, in which most war production industries fall,

continues upward in contrast to the decline witnessed in trade, service, financial, non-essential industries, and farming. Even in war production lines labor shortages are now affecting other categories besides semi-skilled and skilled lines. Factory employment was record high in July, 54.3 million, a gain of 900,000 over June and above the high of last year, according to the U. S. Bureau of the Census. The increase over a year ago can be attributed to the higher percentage of women employed in durable goods lines. Women workers increased 3 million to 17.1 million in July.

Farm employment dropped about 2 per cent from a year ago, and 4 per cent from the 1938-1942 July average. Declines were reported in all sections of the country except the Mountain States. Transients and soldiers help to alleviate the acute farm labor shortage in Montana and the Dakotas.

The continuous increase in industrial wages in durable goods industries and high farm prices were reflected in income payments to individuals. Consumer income reached the record peak in June of $12,162 millions, 9 per cent above May, caused in part by the seasonal rise in dividend and interest disbursements, and 25 per cent above June 1942. National income rose from $131.8 billions in the last quarter of 1942 to $146.1 billions in the second quarter of the year and 4 per cent over the first quarter of 1943.

Net income from farm marketing in June was 1 per cent below the previous month, but 29 per cent over the corresponding month last year. For the first half of 1943 farmers' cash income amounted to $7,802 million, 35 per cent over the corresponding period of 1942. Income from crops fell off slightly instead of rising, while livestock income failed to decline as much as was expected in June. Crop prospects improved about 3 per cent in July and continued upward in early August although crops are reported to be below last year's record high.

While prices of farm products continued to increase more than other commodities, wholesale prices generally dropped during July and early August, caused in a degree by decreases in the prices received by farmers for meat animals, apples, and potatoes. The decline took the monthly index prices to the lowest point in five months after a 20-year peak.

While food prices, which represent a major part of total living costs, declined about 2 per cent, the cost of living fell 1 per cent in the month, but was 6 per cent above last year. This was due in part to the cutback in meat prices resulting from reductions in Government maximum prices and lower prices of season vegetables. The highest increases among foods were for eggs and oranges.

Fall Buying On Upswing

Consumer buying again carried retail sales volume to a high total in July, substantially above a year ago. The larger volume of sales reflects in part higher prices. The largest gains came from non-durable lines such as apparel stores, eating and drinking places, and drug stores. There was an upswing noted in Fall buying in most areas. The Pacific Coast, Southwest, and Mountain States, and Florida continued to register the highest increases. The DUN'S REVIEW seasonally-adjusted index of trade registered an increase from 130.5 to 132.2 (1928-1932 = 100); this is the second successive monthly increase.

Promotions were diversified and reflected a compliance with the WPB request asking retailers to refrain from promotional activity which might induce "scare" buying. Retailers report some difficulty in filling in depleted stocks in some lines. Retailers are showing more caution in buying merchandise as consumers display more choice in making selections.

Independent stores' business is rising rapidly at the expense of chains. Independents are more flexible to adjustments in buying and selling policies. Other factors which influence the increase in sales of independents over chains are the types of merchandise handled, higher incomes, and gas rationing. Some chains have closed less profitable units in order to concentrate stock and manpower in the larger stores.

The stock market continued active during July with volume running high and prices low. The Dow-Jones industrial stock price average by mid-July reached the highest point in the year 145.82, a new war-time high, while railroads hit 38.30 in the latter part of the month.

Little change took place in the level of dividend payments, despite the increase in sales and operating revenues of many leading companies. Compared with 1942 cash dividends dropped 3 per cent in July, 1 per cent in the first seven months, according to the U. S. Department of Commerce. Total disbursements for the first seven months was $1,908 million against $1,938 million in the comparable period of 1942. The largest declines were registered in non-ferrous metals, transportation equipment (excluding railroads), and automobile sub-groups.

War bond sales have been moving along satisfactorily, with little influence noted to date of the pay-as-you-go tax. In July, $138 million worth of war bonds was redeemed in comparison with the $141 million turned in in June. It was felt that this was due to many people cashing in for income tax payments. The sales of Series E bonds in July was 2 per cent below the June figure.

Industrial Production

Seasonally Adjusted Index; 1935-1939 = 100; Federal Reserve Board

	1940	1941	1942	1943
January	122	140	171	[illegible]
February	116	143	172	202
March	113	147	[illegible]	202
April	113	144	173	203
May	117	[illegible]	174	203
June	122	159	176	202
July	122	160	178	203
August	124	160	183	
September	[illegible]	161	186	
October	131	164	190	
November	134	167	194	
December	138	167	197	

Employment

Millions of Persons; U. S. Bureau of Census

	1940	1941	1942	1943
January		45.3	48.9	51.0
February		45.7	49.4	50.9
March		45.8	50.9	51.0
April	45.1	46.8	50.7	51.2
May	46.3	48.5	[illegible]	[illegible]
June	47.6	[illegible]	53.3	53.4
July	[illegible]	50.9	54.0	54.3
August	47.7	51.0	54.0	
September	47.9	50.3	52.4	
October	47.0	50.2	52.4	
November	46.3	50.2	52.8	
December	46.3	50.2	51.9	

Wholesale Commodity Prices

Index; 1926 = 100; U. S. Bureau of Labor Statistics

	1940	1941	1942	1943
January	79.4	80.8	96.0	101.9
February	78.7	80.6	96.7	102.5
March	78.4	81.5	97.6	103.4
April	78.6	83.2	98.7	[illegible]
May	78.4	84.9	[illegible]	104.1
June	77.5	[illegible]	98.6	103.8
July	77.7	[illegible]	98.7	103.2
August	[illegible]	90.3	99.2	
September	78.0	91.8	99.6	
October	78.7	92.4	100.0	
November	79.6	92.5	100.2	
December	80.0	93.6	101.0	

Business Inventories

Billions of Dollars; U S. Department of Commerce

	1940	1941	1942	1943
January	19.60	21.49	27.55	27.78
February	19.75	21.64	27.78	27.41
March	19.93	22.14	28.32	27.54
April	20.09	22.68	28.82	27.36
May	20.12	[illegible]	29.15	27.41
June	19.97	23.46	29.37	26.75
July	[illegible]	23.99	29.23	
August	20.09	24.44	29.10	
September	20.47	25.06	29.03	
October	20.88	24.92	28.84	
November	21.31	26.72	28.73	
December	21.20	27.08	28.03	

Cost of Living

Index; 1935-1939 = 100; U S. Bureau of Labor Statistics

	1940	1941	1942	1943
January		100.8	112.0	120.7
February		100.8	112.9	121.0
March	99.8	101.2	114.3	122.8
April		102.2	115.1	124.1
May		102.9	116.0	[illegible]
June	100.5	104.6	[illegible]	124.8
July		[illegible]	116.9	123.8
August		106.2	117.4	
September	100.4	108.1	117.8	
October	100.2	109.3	119.0	
November	100.1	110.2	119.8	
December	100.7	110.5	120.4	

Industrial Stock Prices

Monthly Average of Daily Index; Dow-Jones

	1940	1941	1942	1943
January	147.60	130.17	111.11	121.52
February	147.29	121.68	107.28	127.40
March	[illegible]	122.52	101.62	131.15
April	[illegible]	119.10	97.79	[illegible]
May	[illegible]	[illegible]	98.42	138.60
June	[illegible]	[illegible]	103.75	141.25
July	122.23	127.57	106.94	142.88
August	125.32	126.67	[illegible]	
September	131.46	127.35	[illegible]	
October	132.39	121.18	113.51	
November	133.90	116.91	115.31	
December	130.45	110.67	117.16	

TRADE ACTIVITY—A REGIONAL SUMMARY

1. New England Region

JUNE, 101.6   MAY, 98.2   JUNE 1942, 89.4

UNADJUSTED: JUNE, 107.0; MAY, 104.1

Monthly barometer gain slightly less than country average; yearly increase well below country. JULY—Boston wholesale trade up 5%, Portland up 10%. Bangor blueberry crops very favorable. New England farm income in May increased 30% over a year ago. Industrial employment in Boston up about 5%, Springfield up 15%, Fall River and New Bedford down. Collections steady to better than 1942. AUGUST—Boston department store sales 9% above a year ago. New aircraft plant in Vermont boosts employment. Resorts enjoying excellent business, comparable to pre-war seasons.

2. New York City Region*

JULY—Retail trade in New York City continues to show good sized gains over 1942, despite a slight drop in employment; payrolls remain about steady. The drop in wholesale employment somewhat greater than in retail; payrolls increased about 3%. New York City industrial employment rose about 12% above 1942, Bridgeport up about 10%. Hotel activity continues to increase its sales; 36% above 1942. Collections generally better than a year ago. AUGUST—New York City department store sales 3% below last year. New York City garment industry continues to expand over last year.

* Barometer figures not available.

3. Albany and Syracuse Region

JUNE, 121.1   MAY, 112.0   JUNE 1942, 103.8

UNADJUSTED: JUNE, 123.0; MAY, 115.3

Monthly barometer gain compares favorably with country average; yearly increase slightly lower than country. JULY—Wholesale trade in Syracuse up 40% over 1942, Albany down 25%. Farm income for New York State in May 26% above 1942. Milk production slightly exceeds 1942 figures. Industrial employment in Albany up about 15% over 1942, Syracuse up 25%, high in Schenectady and Utica. Collections steady to better than last year. AUGUST—Syracuse department store sales up 3% over 1942. Hay crop smaller than last year despite excellent pasturages; fruit crops below expectations.

4. Buffalo and Rochester Region

JUNE, 113.7   MAY, 106.6   JUNE 1942, 92.7

UNADJUSTED: JUNE, 114.7; MAY, 109.3

Monthly barometer increase somewhat better than country figure; yearly gain even with country. JULY—Wholesale trade in Rochester and Buffalo up 4% over 1942. Niagara county's peach crop down 75% from previous years; prices running way above recent seasons. Industrial employment in Buffalo up about 24% over 1942, Rochester up 18%. Collections better than last year. AUGUST—Buffalo department store sales 6% above 1942, Rochester even. New war production plants in the Niagara area boost industrial activity. Buffalo flour production up 7% over 1942. Steel rate at 105% of capacity.

5. Northern New Jersey Region

JUNE, 99.0   MAY, 101.3   JUNE 1942, 87.0

UNADJUSTED: JUNE, 105.9; MAY, 99.3

Monthly barometer registers one of three declines for entire country; yearly gain considerably below country. JULY—Wholesale trade up 7% over a year ago in Newark. New Jersey corn now on market and at moderate prices. Peach crop expected to equal average for previous ten years; prices high. New Jersey farm income in May 35% over 1942. Industrial employment in Newark up about 8% over 1942, Jersey City up 3%, Paterson up 21%, Elizabeth down. Collections steady to better than a year ago. AUGUST—Newark department store sales 23% below last year. Women volunteers help harvest tomato crops.

6. Philadelphia Region

JUNE, 104.3   MAY, 107.4   JUNE 1942, 89.5

UNADJUSTED: JUNE, 111.9; MAY, 111.1

Monthly barometer registers second greatest decline in country; year-to-year increase somewhat lower than country gain. JULY—Wholesale trade up 15% in Philadelphia. Corn, barley, and rye crops off from last year. Industrial employment in Philadelphia up about 11%, Scranton up 8%, Reading down, Wilmington up about 41%. Collections generally better than a year ago. AUGUST—Philadelphia department store sales 4% below last year. Steel rate at 94% of capacity. Delaware population registered one of the few gains in the country.

7. Pittsburgh Region

JUNE, 115.6   MAY, 106.3   JUNE 1942, 100.0

UNADJUSTED: JUNE, 127.3; MAY, 115.2

Monthly barometer gain almost double the country increase; yearly gain below country. JULY—Charleston wholesale trade 10% above a year ago, Erie up 5%, Pittsburgh even. Excessive wet weather adversely affected tomatoes and truck crops. Industrial employment in Erie and Pittsburgh about 8% over last year, Youngstown off. Steel payrolls at new high level principally as a result of longer working hours. Collections generally better than last year. AUGUST—Pittsburgh department store sales 8% above a year ago. Pittsburgh steel industry running at 102% of capacity, Youngstown at 98%.

8. Cleveland Region

JUNE, 148.2   MAY, 134.6   JUNE 1942, 123.2

UNADJUSTED: JUNE, 146.7; MAY, 134.6

Increase in monthly barometer well above country average; yearly gain fractionally below country. JULY—Cleveland wholesale trade up 5% over 1942, Akron up 4%, Toledo down 5%. Prospects for grains are lowest of all crops in comparison with a year ago; output of livestock is up over 1942. Industrial employment in Akron up about 38% over last year, Canton up 6%, Cleveland up 17%, Toledo up 15%. Collections generally better than last year. AUGUST—Cleveland department store sales up 7% over 1942, Toledo up 14%. Cleveland steel rate at 100% of capacity. Glass container production at high levels.

9. Cincinnati and Columbus Region

JUNE, 148.5   MAY, 132.6   JUNE 1942, 122.7

UNADJUSTED: JUNE, 150.1; MAY, 141.8

Monthly barometer increase compares very favorably with country-wide average; year-to-year gain fractionally below country. JULY—Wholesale trade in Cincinnati up 49% over the previous year, Columbus down 25%. Ohio farm income in May 39% higher than last year. Industrial employment in Dayton up about 22% over 1942, Columbus and Cincinnati up about 25%. Collections steady to better than a year ago. AUGUST—Cincinnati department store sales 10% over 1942, Columbus up 22%. Soybean production short of last year's record crop but remains about even with ten-year average.

10. Indianapolis and Louisville Region

JUNE, 169.9   MAY, 149.6   JUNE 1942, 134.5

UNADJUSTED: JUNE, 174.2; MAY, 158.2

Increase in monthly barometer third largest in country; yearly gain above country. JULY—Louisville and Indianapolis wholesale trade up 10% over 1942. Indiana crop reports indicate larger acreages but reduced yield compared with 1942. Kentucky tobacco acreage up more than 10% over 1942. Industrial employment in Louisville up about 28% over 1942, Fort Wayne up 14%, Evansville almost triple, Indianapolis up 30%. Collections steady to better than 1942. AUGUST—Louisville department store sales up 15% over 1942, Indianapolis up 30%. Indianapolis payrolls well over last year, but levelling off.

11. Chicago Region

JUNE, 113.9   MAY, 108.6   JUNE 1942, 98.6

UNADJUSTED: JUNE, 118.3; MAY, 111.6

Monthly barometer increase about even with country average; yearly gain below country. JULY—Chicago wholesale trade 10% above 1942. Illinois farm income in May up 35% over last year. Feed shortages hold back livestock production. Chicago industrial employment up about 13% over 1942, Peoria up 4%, South Bend up 26%. Collections steady to better than a year ago. AUGUST—Chicago department store sales up 5% over 1942. Chicago steel rate at 98% of capacity. New steel and plane plant in operation in Chicago. Crude oil production for Illinois down 19% from 1942.

12. Detroit Region

JUNE, 156.9   MAY, 136.7   JUNE 1942, 122.1

UNADJUSTED: JUNE, 158.5; MAY, 147.6

Monthly barometer increase second largest in country; yearly gain above country average. JULY—Detroit and Grand Rapids wholesale trade 15% above 1942. Michigan farm income in May 28% above 1942. Grand Rapids berry crop short. Flint industrial employment up about 42%, Detroit up 38%, Grand Rapids up 15%. Collections better than last year. AUGUST—Detroit department store sales up 4% over 1942. Steel rate for Detroit 99% of theoretical capacity. A Michigan sugar beet processing company reports 50% reduction in operations. Manpower handicaps acute.

U. S. AND REGIONAL

Seasonally adjusted; 1928-1932 = 100; compiled

REGION	June 1943	Change from June '42 %	Change from May '43 %
U. S.	130.5	+22.8	+ 4.4
1. New England	101.6	+13.6	+ 3.5
2. New York City	†	†	†
3. Albany, Syracuse	121.1	+16.7	+ 8.1
4. Buffalo, Rochester	113.7	+22.7	+ 6.7
5. Northern New Jersey	99.0	+13.8	— 2.3
6. Philadelphia	104.3	+16.5	— 2.9
7. Pittsburgh	115.6	+15.6	+ 8.7
8. Cleveland	148.2	+20.3	+10.1
9. Cincinnati, Columbus	148.5	+21.0	+12.0
10. Indianapolis, Louisville	169.9	+26.3	+13.6
11. Chicago	113.9	+15.5	+ 4.9
12. Detroit	156.9	+28.5	+14.8
13. Milwaukee	158.8	+29.7	+20.0
14. Minneapolis, St. Paul	133.5	+21.0	+ 6.0

THE BAROMETERS

The barometers are composite indexes of trade activity compiled by Dr. L. D. H. Weld, Director of Research, McCann-Erickson, Inc.; the monthly average for the years 1928-1932 inclusive equals 100. In each paragraph the indexes on the first line are adjusted for seasonal variation; the unadjusted figures are shown on the second line. References in the paragraphs are to the adjusted indexes. A map showing the relative changes in trade by regions as indicated by the barometers is on the second preceding page. Indexes may be obtained in advance of their publication in DUN'S REVIEW by special arrangement with the editor.

THE SUMMARIES

The material in the paragraph summaries covers the month of July and the first week of August.

1. NEW ENGLAND

Bangor	—12	+14
Boston	+11	+14
Brockton		+ 1
Burlington		+18
Fall River		+ 4
Hartford	+ 5	+15
Holyoke		+ 7
Lowell		+ 4
Lynn		+ 8
Manchester	+ 2	—10
New Bedford	—10	+13
New Haven	+ 6	+16
Portland	+23	—10
Providence	+ 9	+0.4
Springfield	+ 5	+60
Waterbury		+20
Worcester	+12	+11

2. NEW YORK CITY

Bridgeport	+ 2	+11
New York City	+ 9*	+30
Stamford		+ 3

*Department stores only.

3. ALBANY AND SYRACUSE

Albany	+ 7	+ 7
Binghamton	+ 7	+16
Poughkeepsie		+ 9
Syracuse	+15	+ 6
Utica	+10	+ 4

4. BUFFALO AND ROCHESTER

Buffalo	+14	+19
Elmira	+ 5	+12
Jamestown		+17
Rochester	+10	+97

5. NORTHERN NEW JERSEY

Jersey City		+ 3
Montclair		+ 7
Newark	+10	+23
Passaic		— 8

6. PHILADELPHIA

Allentown	+17	+11
Altoona		+ 8
Camden		+ 7
Chester		+55
Harrisburg	+ 5	+20
Hazleton		+17
Johnstown		— 3
Lancaster	+23	+12
Lebanon		+27
Norristown		+ 5
Philadelphia	+ 7	+19
Reading	+ 5	+16
Scranton	+14	+ 1
Trenton	+ 8	— 6
Wilkes-Barre	+15	+12
Williamsport	— 4	— 6
Wilmington	+ 5	+30
York	+14	+ 6

7. PITTSBURGH

Butler		+18
Charleston	+ 7	+ 8
Erie	+16	+28
Franklin		+11
Greensburg		+ 4
Homestead		+ 4
Huntington	+10	+ 2
Oil City		+21
Pittsburgh	+12	+14
Sharon		+ 8
Warren		+14
Wheeling		+25
Youngstown	+22	+17

8. CLEVELAND

Akron	+21	+40
Canton	+20	+10
Cleveland	+17	+18
Hamilton		+ 7
Lima	+ 1	+ 5
Lorain		+13
Toledo	+29	+ 8

9. CINCINNATI AND COLUMBUS

Cincinnati	+14	+13
Columbus	+25	+21
Dayton		+27
Lexington		+12
Middletown		+ 4
Springfield	+20	+23
Steubenville		+ 2
Zanesville		+18

10. INDIANAPOLIS AND LOUISVILLE

Evansville	+50	+42
Fort Wayne	+22	+17
Indianapolis	+21	+22
Louisville	+21	+17
Owensboro		+33
Terre Haute	+ 9	— 2

11. CHICAGO

Aurora		+ 4
Bloomington		+ 8
Champaign-Urbana		—19
Chicago	+19	+19
Danville		+24
Decatur		—10
Elgin		+ 2
Gary		+ 7
Hammond		+25
Moline		+ 5
Peoria	+20	+ 6
Rockford	+15	+12
South Bend	+17	+ 2
Springfield	+19	+ 4

Trade Barometer

for Dun's Review *by Dr. L. D. H. Weld*

Region	June 1943	Change from June '42 %	Change from May '43 %
15. Iowa, Nebraska	131.9	+27.2	+11.4
16. St. Louis	123.9	+14.9	− 5.8
17. Kansas City	153.1	+35.6	+ 7.8
18. Maryland, Virginia	162.7	+27.1	+ 4.3
19. North, South Carolina	196.0	+21.8	+ 9.1
20. Atlanta, Birmingham	201.7	+28.5	+ 6.0
21. Florida	247.9	+51.2	+10.5
22. Memphis	173.6	+24.6	+ 7.4
23. New Orleans	164.4	+29.7	+ 4.7
24. Texas	212.9	+50.0	+ 8.7
25. Denver	157.4	+28.6	+10.7
26. Salt Lake City	168.3	+37.2	+ 4.1
27. Portland, Seattle	183.4	+30.6	+10.1
28. San Francisco	155.2	+34.5	+ 8.2
29. Los Angeles	148.5	+35.2	+ 9.5

† *Unavailable.*

The estimates of trade changes and other reports in the paragraphs are based upon opinions and comments of business men in various lines of trade, gathered and weighed by local Dun & Bradstreet offices. Department store sales figures are from the Federal Reserve Board; payroll and employment figures are from State Labor Departments and the U. S. Bureau of Labor Statistics.

CITY LIST

How trade activity in July compared with that of a year ago is indicated generally for 292 cities throughout the country by these two sets of figures: spot estimates of retail sales (left, in italic) from local Dun & Bradstreet offices; check transactions (on the right) from bank debits published by the Federal Reserve Board. The figures shown are percentage increases or decreases in July over the same month last year.

12. DETROIT

Adrian		+36
Battle Creek		+25
Bay City		+39
Detroit	*+16*	+23
Flint		+13
Grand Rapids	*+26*	+17
Jackson		+40
Kalamazoo		+ 6
Lansing		+30
Saginaw	*+ 8*	0

13. MILWAUKEE

Green Bay	*+26*	+ 9
Manitowoc		+16
Milwaukee	*+17*	+25
Oshkosh		+13
Sheboygan		+ 6

14. MINNEAPOLIS AND ST. PAUL

Aberdeen		+31
Billings	*+11*	+ 9
Bismarck		+ 4
Butte	*+ 8*	+ 5
Dickinson		+13
Duluth	*+12*	+15
Eau Claire		+ 3
Fargo	*+ 5*	−24
Grand Forks		+33
Great Falls		+20
Helena		0
Ironwood		− 3
Jamestown		+14
La Crosse	*+10*	+24
Mankato		+19
Marquette		+42
Minneapolis	*+13*	+32
Minot		+26
Red Wing		+10
Rochester		+11
St. Cloud		+20
St. Paul	*+13*	+45
Sioux Falls	*+15*	+ 7
So. St. Paul		+17
Superior		+25
Winona		+29

15. IOWA AND NEBRASKA

Cedar Rapids	*+12*	+14
Clinton		+20
Davenport	*+20*	+10
Des Moines	*+20*	+13
Dubuque	*+17*	+20
Fremont		+30
Lincoln	*+27*	+22
Mason City		+11
Muscatine		+12
Omaha	*+33*	+41
Sioux City	*+19*	+27
Waterloo	*+20*	− 3

16. ST. LOUIS

East St. Louis		+ 6
Quincy	*+20*	+25
St. Louis	*+15*	+11
Sedalia		+20
Springfield	*+20*	+12

17. KANSAS CITY

Atchison		+22
Bartlesville		+ 5
Emporia		+25
Enid		+23
Guthrie		+ 2
Hutchinson		+20
Independence		+63
Joplin		− 4
Kansas City	*+30*	+26
Lawrence		+28
Muskogee		−30
Oklahoma City	*+65*	+ 6
Okmulgee		+61
Pittsburg		+ 5
St. Joseph	*+25*	+24
Salina		+21
Topeka	*+33*	+40
Tulsa	*+30*	+36
Wichita	*+25*	+60

18. MARYLAND AND VIRGINIA

Baltimore	*+10*	+13
Bristol		+ 8
Cumberland		+18
Danville		+14
Hagerstown		+12
Lynchburg	*+30*	+10
Newport News		+12
Norfolk	*+15*	+ 9
Portsmouth		+26
Richmond	*+20*	+12
Roanoke	*+22*	+ 6
Washington	*+18*	+10

19. NORTH AND SOUTH CAROLINA

Asheville	*0*	+ 5
Charleston	*+23*	+14
Charlotte	*+10*	−15
Columbia	*+25*	+ 8
Durham		− 9
Greensboro		+12
Greenville	*+37*	+16
Raleigh	*+10*	+ 4
Spartanburg		+ 9
Wilmington	*+20*	+27
Winston-Salem	*+ 8*	− 9

20. ATLANTA AND BIRMINGHAM

Albany		+ 3
Atlanta	*+45*	+16
Augusta	*+13*	+ 6
Birmingham	*+22*	+ 5
Brunswick		+119
Chattanooga	*+35*	+ 9
Columbus	*+12*	+ 5
Dothan		− 2
Elberton		+ 4
Knoxville	*+42*	+61
Macon	*+30*	+12
Mobile	*+ 7*	+13
Montgomery		− 1
Nashville	*+20*	+33
Newnan		+44
Savannah	*+40*	+35
Valdosta		+ 5

(Continued on next page)

BAROMETERS FOR TWENTY-NINE REGIONS

13. Milwaukee Region

JUNE, 158.8 MAY, 132.3 JUNE 1942, 122.4

UNADJUSTED: JUNE, 162.2; MAY, 139.7

Highest monthly barometer gain registered here; yearly increase somewhat above country. July—Milwaukee wholesale trade off 10% from last year. Wisconsin farm income in May up 31% over 1942. Egg production in Wisconsin registers 4% increase over last year. Industrial employment in Milwaukee up about 15% over 1942; the entire State up 10%; payrolls levelling off, but up about 32%. Collections better than last year. August—Milwaukee department store sales 7% above a year ago. Lack of feed supplies reduced milk production fractionally below last year, despite increase in number of animals.

14. Minneapolis and St. Paul Region

JUNE, 133.5 MAY, 126.0 JUNE 1942, 110.3

UNADJUSTED: JUNE, 143.3; MAY, 131.1

Increase in monthly barometer fractionally above country average; yearly gain slightly below country. July—Minneapolis wholesale trade 22% over 1942. Minnesota farm income up 34% in May, Montana up 23%, North and South Dakota up 46 and 52% respectively. Duluth industrial employment about 50% over 1942, St. Paul up 20%, Minneapolis up 44%. Collections steady to better than 1942. August—Large cities in Montana registered best retail sales gains. Minneapolis flour production 17% over 1942. Transient labor and soldiers aid in harvesting crops in Montana and the Dakotas.

15. Iowa and Nebraska Region

JUNE, 131.9 MAY, 118.4 JUNE 1942, 103.7

UNADJUSTED: JUNE, 130.3; MAY, 122.3

Monthly barometer gain greater than country; yearly gain somewhat above country. July—Des Moines wholesale trade 25% over 1942, Omaha up 15%, Sioux City up 10%. Iowa farm income for May up 54% over 1942, Nebraska up 61%. Despite unfavorable weather this Spring, grain crops especially corn appear better than average. Industrial employment in Des Moines up about 72% over 1942, Omaha up 52%. Collections steady to better than 1942. August—Nebraska department store sales up 29% over 1942. Omaha bank clearings up 46% over previous year. Fruit and vegetable crops below expectations.

16. St. Louis Region

JUNE, 123.9 MAY, 131.5 JUNE 1942, 107.8

UNADJUSTED: JUNE, 127.5; MAY, 137.5

Monthly barometer drop registers largest decline in entire country; year-to-year gain well below country-wide average. July—St. Louis wholesale trade up 10% over a year ago. Missouri farm income in May 46% above last year. Corn yield below 1942 figures. St. Louis industrial employment up about 18% above a year ago. Collections continue generally better than previous year. August—Department store sales in St. Louis 9% above a year ago. St. Louis steel production at 99% of theoretical capacity. Elberta peach crop off 75% from last year; prices at record high.

17. Kansas City Region

JUNE, 153.1 MAY, 142.0 JUNE 1942, 112.9

UNADJUSTED: JUNE, 143.9; MAY, 140.2

While monthly barometer gain was only slightly above country, yearly increase compares very favorably with country average. July—Kansas City wholesale trade up 25% over 1942, Oklahoma City up 5%. Oklahoma cotton acreage lowest in 40 years. Wheat crop in Northern Oklahoma and Kansas severely damaged by insects. Kansas City industrial employment up about 20% over 1942, Oklahoma City up 13%, Tulsa almost triple. Collections better than 1942. August—Department store sales in Kansas City up 20% over 1942, Tulsa up 35%, Oklahoma City up 47%, St. Joseph up 32%. Crude oil production up 8% in Kansas, Oklahoma off 15%.

18. Maryland and Virginia Region

JUNE, 162.7 MAY, 156.0 JUNE 1942, 128.0

UNADJUSTED: JUNE, 163.2; MAY, 158.9

Barometer monthly decline even with country; yearly gain compares favorably with country average. July—Baltimore wholseale trade up 8% over 1942, Norfolk up 5%, Richmond up 4%. Virginia peach crop almost total failure, apple yield off about one-half, potato crop well above 1942, tobacco production below last year. Industrial employment about even with last year in Richmond; Baltimore up about 15% with payrolls up 30%. Collections steady to better than 1942. August—Baltimore department store sales down 13% over 1942. Peanut and soybean crops steady to better than 1942.

19. North and South Carolina Region

JUNE, 196.0 MAY, 179.7 JUNE 1942, 160.9

UNADJUSTED: JUNE, 181.3; MAY, 175.0

Monthly barometer increase about double country gain; yearly rise fractionally below country. July—Wilmington wholesale trade 10% above 1942, Winston-Salem up 5%, Charleston off 10%. Cotton condition good; production slightly lower than last year. North Carolina farm income in May up 52% above 1942, South Carolina up 34%. Industrial employment and payrolls levelling off; well above last year. Collections steady to better than 1942. August—Charleston bank clearings 24% above last year. Retail trade well above 1942; some small towns report larger gains than metropolitan areas.

20. Atlanta and Birmingham Region

JUNE, 201.7 MAY, 190.2 JUNE 1942, 157.0

UNADJUSTED: JUNE, 190.1; MAY, 196.5

Monthly barometer above country for third consecutive month; yearly gain somewhat above average. July—Atlanta wholesale trade up 15% over 1942, Nashville up 10%, Birmingham even. Reduced cotton acreage off from last year's, peanut and soybean crop acreage up. Atlanta industrial employment up about 5% over 1942, Chattanooga up 12%, Nashville up 9%, Knoxville up 4%, Birmingham even. Collections steady to better than 1942. August—Atlanta department store sales up 28% over 1942, Nashville up 27%. Georgia watermelon crop better than earlier expectations with prices well above previous years.

21. Florida Region

JUNE, 247.9 MAY, 224.3 JUNE 1942, 164.0

UNADJUSTED: JUNE, 204.8; MAY, 218.2

Monthly barometer gain above country; yearly increase greatest in country. July—Jacksonville wholesale trade up 10% over 1942, Tampa up 20%. July weather favorably affects citrus fruit groves. Orange crop prospects steady with 1942 production; grapes off. Florida farm income in May 66% above 1942. Industrial employment in Jacksonville up about 110%, Tampa up 75%, Miami up 23%. Collections steady to better than 1942. August—Miami department store sales 46% above last year. All cities report substantial gains in retail sales with apparel stores and restaurants registering largest increases.

22. Memphis Region

JUNE, 173.6 MAY, 161.7 JUNE 1942, 139.3

UNADJUSTED: JUNE, 157.0; MAY, 163.7

Monthly and yearly barometer gains compare favorably with country average. July—Memphis wholesale trade remains steady with month ago at 15% above 1942. Record potato crop reported in Arkansas. Arkansas farm income for May up 9% from last year. Memphis industrial employment up about 30% above a year ago. Collections generally better than previous year. August—Memphis department store sales 27% above a year ago, Little Rock up 20%. Arkansas crude oil output registers 6% gain over 1942. Vegetable dehydrating plant, first in Arkansas, begins operations in Ozark.

23. New Orleans Region

JUNE, 164.4 MAY, 157.0 JUNE 1942, 126.8

UNADJUSTED: JUNE, 154.7; MAY, 153.7

Monthly barometer increase even with country; yearly gain compares favorably with country average. July—New Orleans wholesale trade up 25% over 1942. Louisiana farm income for May 67% above 1942. Sugar cane crop prospects above last year. Industrial employment in New Orleans about 27% higher than last year. Collections steady to better than a year ago. August—Retail trade continues at levels considerably higher than 1942, especially in Lake Charles, Baton Rouge, and New Orleans. New synthetic rubber plant and other new war plants start operations and boost employment.

24. Texas Region

JUNE, 212.9 MAY, 195.8 JUNE 1942, 141.9

UNADJUSTED: JUNE, 202.2; MAY, 193.5

Monthly barometer gain compares favorably with country; yearly increase second highest in country. July—Dallas wholesale trade up 35% over 1942, Houston and Shreveport up 20%, San Antonio and Fort Worth up 12%. Texas farm income for May 26% above 1942. Cotton acreage off about 5% from last year; quality reported better than recent years. Industrial employment in Dallas up about 60% over 1942, El Paso about even. Collections generally better than last year. August—Dallas department store sales 54% over 1942. Texas crude oil production 15% over last year. Coastal production of rubber stepped up.

BAROMETERS FOR TWENTY-NINE REGIONS

25. Denver Region

JUNE, 157.4 MAY, 142.2 JUNE 1942, 122.4
UNADJUSTED: JUNE, 158.2; MAY, 140.6

Monthly barometer increase compares favorably with country average; year-to-year gain somewhat higher than country. *July—Denver wholesale trade up 15% over last* year. Colorado farm income in May 53% higher than 1942, New Mexico up 28%. Colorado peach crop above 1942 levels. New Mexico bean crop hindered by insects; all crops badly in need of more moisture. Industrial employment in Denver about 22% greater than 1942 figures. Collections continue better than a year ago. August—Denver department store sales 15% above previous year. Vegetable farmers hindered by shortage of essential labor.

26. Salt Lake City Region

JUNE, 168.3 MAY, 161.7 JUNE 1942, 122.7
UNADJUSTED: JUNE, 166.4; MAY, 166.3

Barometer monthly gain about even with country-wide average; year-to-year increase well above country. July—Salt Lake City wholesale trade off 12% from 1942. Utah farm income in May up 30% over last year, Idaho up 19%. Idaho potato acreage up from a year ago while yield per acre off; crop somewhat damaged by unusually cold July weather. Idaho prune production lowest on record. Industrial employment in Salt Lake City about 9% higher than a year ago. Collections generally better than last year. August—Retail trade considerably ahead of 1942; smaller cities report excellent gains.

27. Portland and Seattle Region

JUNE, 183.4 MAY, 166.6 JUNE 1942, 140.4
UNADJUSTED: JUNE, 180.8; MAY, 169.7

Monthly barometer gain more than double country figure; yearly increase also well above country. July—Seattle wholesale trade up 15% over a year ago, Portland up 40%. Tacoma raspberry crop large; handicapped by labor shortage. Fruit and vegetable harvests generally smaller than 1942. Puget Sound area lumber production below 1942. Industrial employment in Portland up about 69% over last year, Spokane down. Collections steady to better than 1942. August—Seattle department store sales 21% above last year, Portland up 2%. Expansion of many war factories raises employment.

28. San Francisco Region

JUNE, 155.2 MAY, 143.5 JUNE 1942, 115.4
UNADJUSTED: JUNE, 150.2; MAY, 139.6

Increase in monthly barometer double country; yearly gain compares very favorably with country-wide average. July—San Francisco wholesale trade 7% above a year ago. California farm income in May up 56% over last year. Flaxseed production down from 1942; grape output higher than last year, apricot and sugar beet off. Industrial employment in San Francisco up about 50% over last year, Oakland up 31%. Collections steady to better than a year ago. August—Department store sales in San Francisco up 17% above previous year, Oakland down 2%. Volume and value of non-citrus fruits at record high.

29. Los Angeles Region

JUNE, 148.5 MAY, 135.6 JUNE 1942, 109.8
UNADJUSTED: JUNE, 143.5; MAY, 135.5

Increase in monthly barometer about double the country; yearly gain compares very favorably with country. July—Los Angeles wholesale trade off 10% from a year ago. Arizona farm income in May up 36% over last year. An indicated 8% increase over 1942 registered for alfalfa hay production. Dry beans, flaxseed, and citrus fruit production up over 1942, cotton acreage off. Industrial employment in Los Angeles about 43% above last year. Collections generally better than a year ago. August—Los Angeles department store sales 3% over 1942. War industries continue to expand, boosting employment.

How trade activity in July compared with that of a year ago is indicated generally by the figures below. The figures for percentage changes shown below are for: retail trade (left, in italic) and check transactions (right).

21. FLORIDA

	Retail	Checks
Jacksonville	*+22*	+28
Miami	+45	+41
Pensacola		+32
Tampa	*+70*	+54

22. MEMPHIS

	Retail	Checks
El Dorado		+24
Fort Smith		+16
Greenville		+11
Helena		+19
Little Rock	*+31*	+ 2
Memphis	*+21*	+12
Pine Bluff		—36
Texarkana		—15

23. NEW ORLEANS

	Retail	Checks
Hattiesburg		—12
Jackson	*+32*	+15
Meridian		—28
New Orleans	*+25*	+21
Vicksburg		+63

24. TEXAS

	Retail	Checks
Abilene		+ 8
Amarillo	*+34*	+ 6
Austin		+75
Beaumont		+55
Corsicana		+40
Dallas	*+63*	+14
El Paso	*+30*	+16
Fort Worth	*+48*	+76
Galveston		+ 8
Houston	*+35*	+22
Lubbock	*+32*	+18
Port Arthur		+20
Roswell		+ 5
San Antonio	*+38*	+18
Shreveport	*+30*	+ 2
Texarkana		— 9
Tucson		+46
Tyler		+41
Waco	*+50*	— 5
Wichita Falls	*+25*	+21

25. DENVER

	Retail	Checks
Albuquerque	*+ 2*	+ 7
Casper		— 4
Cheyenne		+17
Colorado Springs		—16
Denver	*+20*	+ [illegible]
Grand Junction		+2[illegible]
Pueblo		— [illegible]

26. SALT LAKE CITY

	Retail	Checks
Boise		+1[illegible]
Ogden		+3[illegible]
Salt Lake City	*+28*	+1[illegible]

27. PORTLAND AND SEATTLE

	Retail	Checks
Bellingham		+2[illegible]
Eugene		+2[illegible]
Everett		+37
Portland	*+35*	+4[illegible]
Salem		+1[illegible]
Seattle	+35	+2[illegible]
Spokane	*+45*	+ 7
Tacoma	*+26*	+2[illegible]
Walla Walla		+ [illegible]
Yakima		+3[illegible]

28. SAN FRANCISCO

	Retail	Checks
Bakersfield		+16
Berkeley		+27
Fresno	*+43*	+37
Oakland		+4[illegible]
Reno		+ 2
Sacramento	*+24*	— [illegible]
San Francisco	+30	+2[illegible]
San Jose		+4[illegible]
Stockton		+3[illegible]

29. LOS ANGELES

	Retail	Checks
Long Beach		+3[illegible]
Los Angeles	+24	+3[illegible]
Pasadena		+40
Phoenix	*+29*	+3[illegible]
San Bernardino		+6[illegible]
San Diego	*+18*	+5[illegible]
Santa Barbara		+1[illegible]

SIGNIFICANT BUSINESS INDICATORS

COMPILED BY THE STATISTICAL STAFF OF "DUN'S REVIEW"

More detailed figures appear in "Dun's Statistical Review." Back figures available upon request.

Wholesale Food Price Index

The Index is the sum of the wholesale price per pound of 31 commodities in general use.

1943		1942	
Sept. 28	$4.05	Sept. 29	$3.86
Sept. 21	4.06	Sept. 22	3.84
Sept. 14	4.06	Sept. 15	3.82
Sept. 7	4.06	Sept. 8	3.81
Aug. 31	4.06	Sept. 1	3.81
Aug. 24	4.05	Aug. 25	3.80
Aug. 17	4.04	Aug. 18	3.78
Aug. 10	4.04	Aug. 11	3.76
Aug. 3	4.04	Aug. 4	3.74
July 27	4.03	July 28	3.72
July 20	4.03	July 21	3.71
July 13	4.06	July 14	3.69
July 6	4.05	July 7	3.68
June 29	4.05	June 30	3.68
June 22	4.04	June 23	3.66
June 15	4.04	June 16	3.67
June 8	4.05	June 9	3.66
June 1	4.11	June 2	3.66
May 25	4.11	May 26	3.68
May 18	4.12	May 19	3.69
May 11	4.10	May 12	3.68
May 4	4.11	May 5	3.68
Apr. 27	4.11	Apr. 28	3.68
Apr. 20	4.09	Apr. 21	3.66
Apr. 13	4.10	Apr. 14	3.65
Apr. 6	4.10	Apr. 7	3.63
Mar. 30	4.10	Mar. 31	3.60
Mar. 23	4.11	Mar. 24	3.57
Mar. 16	4.09	Mar. 17	3.57
Mar. 9	4.09	Mar. 10	3.59
Mar. 2	4.07	Mar. 3	3.57

	HIGH		LOW	
1943	May 18	$4.12	Jan. 12	$4.03
1942	Dec. 22	4.02	Jan. 6	3.45
1941	Dec. 30	3.43	Jan. 7	2.50
1940	Dec. 10	2.49	June 18	2.18
1939	Sept. 19	2.46	Aug. 15	2.13
1937	Mar. 16	3.01	Dec. 28	2.56
1933	July 18	2.08	Jan. 31	1.49
1929	Feb. 28	3.52	Dec. 12	3.11
1919	July 31	5.30	Feb. 13	4.58

Building Permit Values—215 Cities

	July 1943	July 1942	% Change	June 1943	% Change
New England	$4,525,328	$1,970,388	+129.7	$4,321,358	+ 4.7
Middle Atlantic	6,254,403	16,423,348	— 61.9	5,042,936	+24.0
South Atlantic	5,274,374	4,063,852	+ 29.8	5,822,937	— 9.4
East Central	9,692,666	19,464,474	— 50.2	9,767,835	— 0.8
South Central	5,006,751	3,062,813	+ 63.5	3,949,100	+26.8
West Central	1,475,603	1,824,054	— 19.1	1,367,135	+ 7.9
Mountain	1,668,542	803,123	+107.8	1,072,214	+55.6
Pacific	12,481,574	12,861,576	— 3.0	8,444,217	+47.8
Total U. S.	$46,379,241	$60,473,628	— 23.3	$39,787,732	+16.6
New York City	$1,346,611	$4,740,325	— 71.6	$952,176	+41.4
Outside N. Y. C.	$45,032,630	$55,733,303	— 19.2	$38,835,556	+16.0

Bank Clearings for Individual Cities

(Thousands of Dollars)

	July 1943	July 1942	% Change	June 1943	% Change
Boston	1,455,217	1,422,862	+ 2.3	1,409,505	+3.2
Philadelphia	2,732,000	2,415,000	+13.1	2,668,000	+2.4
Buffalo	260,694	219,600	+18.7	271,007	—3.8
Pittsburgh	1,047,033	948,594	+10.4	1,134,944	—7.7
Cleveland	936,016	804,336	+16.4	931,238	+0.5
Cincinnati	467,773	411,044	+13.8	464,551	+0.7
Baltimore	627,602	539,402	+16.4	651,590	—3.7
Richmond	303,338	270,182	+12.3	293,468	+3.4
Atlanta	541,400	446,300	+21.3	526,400	+2.8
New Orleans	350,704	273,028	+28.4	349,717	+0.3
Chicago	2,095,603	1,754,638	+19.4	1,984,622	+5.8
Detroit	1,446,436	1,205,222	+20.0	1,367,433	+5.8
St. Louis	695,409	579,290	+20.0	743,650	—6.5
Louisville	285,903	248,500	+15.1	276,626	+3.4
Minneapolis	585,406	449,013	+30.4	559,807	+4.6
Kansas City	881,683	679,279	+29.8	809,951	+8.9
Omaha	315,549	217,462	+45.1	301,243	+4.7
Denver	223,576	187,587	+19.2	223,662	—0.3
Dallas	439,863	349,685	+25.8	452,083	—2.7
Houston	384,589	311,207	+23.6	395,820	—2.8
San Francisco	1,146,385	957,213	+19.8	1,080,093	+6.1
Portland, Ore.	328,010	285,702	+14.8	324,350	+1.1
Seattle	398,636	334,372	+19.2	399,330	—0.2
Total 23 Cities	17,948,915	15,309,518	+17.2	17,619,090	+1.9
New York	20,808,977	16,341,308	+27.3	21,026,622	—1.0
Total 24 Cities	38,757,892	31,650,826	+22.5	38,645,712	+0.3
Daily Average	1,490,688	1,217,339	+22.5	1,486,374	+0.3

Daily Wholesale Price Index

(1930-1932 = 100)

The Index is prepared from the spot closing prices of 30 basic commodities.

	1943 Sept.	Aug.	July	June
1	171.61	†	170.97	171.81
2	171.44	170.64	170.69	171.81
3	171.29	170.76	170.47	171.96
4	171.04	170.69	†	172.06
5	†	170.75	*	171.92
6	*	171.09	170.86	†
7	171.33	170.98	171.16	170.48
8	170.98	†	170.86	170.45
9	171.64	170.61	170.71	170.40
10	171.88	170.54	170.04	170.77
11	171.78	170.61	†	170.91
12	†	170.46	170.37	170.91
13	171.99	170.44	171.03	†
14	172.06	170.22	171.03	170.42
15	171.99	†	170.40	170.25
16	172.30	170.14	170.21	170.25
17	172.37	170.19	170.21	170.08
18	172.20	170.00	†	170.28
19	†	170.71	169.94	170.16
20	172.23	170.79	169.90	†
21	172.42	170.59	170.10	170.10
22	172.22	†	170.55	169.82
23	172.06	170.93	170.43	169.72
24	172.26	171.02	170.35	170.09
25	172.43	171.23	†	170.41
26	†	171.46	170.13	170.61
27	171.99	171.55	170.15	†
28	172.21	171.75	170.55	170.35
29	172.24	†	170.53	170.09
30	172.19	171.57	170.79	170.41
31		171.65	170.64	

† Sunday. * Market closed.

	HIGH		LOW	
1943	172.43	Sept. 25	166.61	Jan. [illegible]
1942	166.02	Dec. 30	151.54	Jan. [illegible]
1941	150.54	Dec. 12	123.03	Feb. 17
1940	124.84	Dec. 31	112.42	Aug. 19

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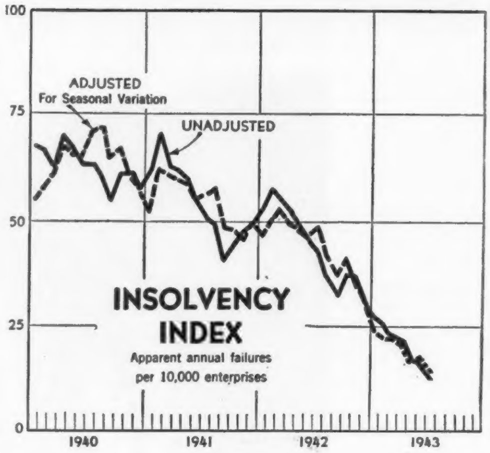
FAILURE INDEX FOR JULY STRIKES NEW LOW

THE insolvency index which measures the rate of failures on a seasonally adjusted basis dropped 2.8 points in July to a new low. Thus the increase which occurred in June was not sustained, and it becomes merely an interruption in the general downward course of failures. The failure rate has fallen since the beginning of the year from 24 failures in every 10,000 concerns to 16 in July for every 10,000. A year ago, just prior to the time when failures started on their abnormal, wartime decline, there were 48 failures to every 10,000 business establishments.

The failure decline in numbers from 265 in June to 203 in July was unusually sharp even for Midsummer. The controlling feature of the downtrend was an unexpectedly sharp falling off in retail trade failures, principally in the two numerically large groups, food stores and restaurants. Other unseasonable factors included increases contrary to the Summer down-pull in both manufacturing failures, which rose for the first time since last March, and in wholesale trade failures, which turned up slightly after months of decline.

All size groups were affected by the month's decline. Large failures dropped from 13 in June to 6 in July and were fewer than the 10 reported a year ago. Smaller failures held their gradual downward trend. Large failures, which have numbered only 46 so far this year compared with 90 in the first seven months of last year, have in spite of the decrease, accounted for a somewhat larger proportion of total failures than last year. Fewer large failures have occurred in all the industry groups, particularly in wholesale and retail trade.

Manufacturing: Manufacturing failures increased from 39 in June to 43 in July, or 10 per cent, after declining steadily for the last three months. There was a continuing increase in failures in food lines and in lumber products, while in the iron, steel, and machinery industries they turned up slightly after recent declines.



	July 1943	June 1943	July 1942	Per Cent Change
DUN'S INSOLVENCY INDEX*				
Unadjusted	12.2	15.9	43.2	—72
Adjusted, seasonally...	13.0	16.2	48.0	—73
NUMBER OF FAILURES....	203	265	764	—73
NUMBER BY SIZE OF DEBT				
Under $5,000.........	99	122	377	—74
$5,000–$25,000	79	107	311	—75
$25,000–$100,000	19	23	66	—71
$100,000 and over....	6	11	10	—40
	(Liabilities in thousands of dollars)			
CURRENT LIABILITIES....	3,595	6,076	8,548	—58
TOTAL LIABILITIES.......	3,695	15,321	9,489	—61

* Apparent annual failures per 10,000 enterprises.
More detailed figures appear in DUN'S STATISTICAL REVIEW.

FAILURES BY DIVISIONS OF INDUSTRY

(Current liabilities in thousands of dollars)	Number Jan.-July 1943	Number Jan.-July 1942	July 1943	Liabilities Jan.-July 1943	Liabilities Jan.-July 1942
ALL INDUSTRY GROUPS....	2,401	6,387	3,595	32,704	69,133
MINING, MANUFACTURING..	416	1,023	2,017	13,124	21,096
Mining—Coal, Oil, Misc...	16	32	144	609	1,254
Food and Kindred Products	58	208	508	2,019	5,405
Textile Mill Prods., Apparel	66	200	38	782	2,966
Lumber, Lumber Products.	56	113	208	1,407	2,551
Paper, Printing, Publishing.	69	128	808	2,041	2,395
Chemicals, Allied Products.	20	40	8	249	795
Leather, Leather Products..	7	36	..	240	625
Stone, Clay, Glass Products.	17	25	35	320	551
Iron and Steel, and Products	18	37	175	604	874
Machinery	32	44	38	3,588	885
Transportation Equipment.	8	19	..	522	486
Miscellaneous	49	141	55	743	2,309
WHOLESALE TRADE.......	181	502	202	1,936	7,920
Food and Farm Products...	68	196	94	659	3,169
Apparel	10	19	5	62	191
Dry Goods..............	4	19	..	40	341
Lumber, Bldg. Materials, Hardware	21	57	47	391	1,398
Chemicals and Drugs.....	5	21	4	26	495
Motor Vehicles, Equipment	4	28	..	43	238
Miscellaneous	69	162	52	715	2,088
RETAIL TRADE...........	1,350	4,065	429	9,672	28,609
Food and Liquor.........	389	1,259	107	1,686	5,795
General Merchandise......	55	185	28	285	1,662
Apparel and Accessories...	123	453	33	841	3,715
Furniture, Home Furnish'gs	63	252	20	476	1,988
Lumber, Bldg. Materials, Hardware	74	205	27	573	1,937
Automotive Group.......	86	354	22	708	2,986
Eating and Drinking Places	340	694	90	3,499	6,088
Drug Stores.............	96	301	68	625	2,199
Miscellaneous	124	362	34	979	2,239
CONSTRUCTION	277	457	647	4,068	6,404
General Bldg. Contractors..	107	147	580	2,603	3,568
Building Sub-contractors...	164	296	62	1,297	2,553
Other Contractors........	6	14	5	168	283
COMMERCIAL SERVICE.....	177	340	300	3,904	5,104

Manufacturing failures so far this year were 59 per cent under the number in the first seven months of last year. Lines leading the decline were foods, down 72 per cent, textile goods, and leather goods. Money losses through manufacturing failures were cut from $21,000,000 to $13,000,000.

Retail Trade: Retail trade failures were off a third from June compared with a normal drop of something less than 10 per cent, in what was their most pronounced decrease in many months. The decline was largely in food and restaurant lines. Under normal conditions failures among restaurants run high during the Summer months, a difficult period for this line, but in July of this year conditions favorable for restaurants cut the June number in half. The decline in food lines was supplemented by decreases in other lines, such as hardware, lumber, general merchandise, drugs, and automotive, which have been pursuing a see-saw course from month to month in a general downward direction.

Another effect of the sharp retail decline was to lower the representation of retail failures in the total to less than half for the first time on record. During 1941 and the early part of 1942 retail failures were bearing more than their usual 60 per cent share of the total, but in more recent months have been losing to some of the other groups. Never before, however, have they fallen below 50 per cent of the total. Manufacturing failures were only slightly in excess of their usual 20 per cent of the total, but both construction and service failures were weighted far more heavily than in normal times.

Other Groups: Both commercial service failures and construction failures declined substantially. Service failures, however, in spite of monthly ups and downs, have changed little in general direction since the beginning of the year. Construction failures, on the other hand, after holding up during 1942 and early 1943, have dropped rapidly in the last three months to new low levels. Canadian failures numbered only 12 in July with liabilities of $87,000 compared with 18 in June, with debts of $397,000. A year ago there were 47, with debts of $233,000.

HERE *and* THERE

Employees Compensated for Inventions—The Glenn L. Martin Company has set up an employee's patent remuneration plan under which the employee is given a share in any income derived from his invention through the licensing of outside manufacturing rights.

This plan has been in operation for only a short time, but seven Martin inventors are already somewhat richer as a result of it. Under the plan, a separate agreement is entered into between the employee and the company before the patent is applied for. This agreement provides that while the company will bear all of the expense of patenting the invention and, where the opportunity arises, licensing it to outside concerns for manufacture, the employee-inventor will receive a share of the proceeds from such licensing, starting at 10 per cent until the inventor has received $5,000 and according to a sliding scale thereafter.

Substation on Wheels—To prevent shutdowns because of temporary failures in power systems, the General Electric Company, Schenectady, N. Y., in co-operation with the Consolidated Gas, Electric Light & Power Company of Baltimore, has built a complete 3,000-kva mobile unit substation. This is ready, on a moment's notice, to be moved to any part of the system where emergency power is required.

As its name implies, the substation is a transformer unit, used to tap high voltage lines and step the voltage down for distribution. One of the largest

ever built for highway use, the equipment has a capacity sufficient to supply enough power to operate 30,000 100-watt lamps, or to provide for the electrical needs of a small town.

The substation, which weighs 20 tons, is mounted on a semi-trailer, the front end of which is supported by the towing tractor during transportation.

Tin-saving Processes—New and improved chemicals and processes designed to save large quantities of tin and speed the plating of sheet metal, have been developed by the Electroplating Division of E. I. du Pont de Nemours & Company, Wilmington, Del. The new chemicals permit steel strip for containers to be plated by a continuous process.

By this new high-speed, continuous plating process it is claimed that 20,000-pound coils of steel strip, 36 inches wide, are coated at a rate of more than 800 feet per minute. Du Pont avers that uniform thickness of the tin coating and the high grade of control maintained in electro-plating operations are outstanding advantages of the new process. It states that the thickness of electro-deposited coatings may be controlled within a few hundred-thousandths of an inch, and that plating by the electrolytic method uses considerably less tin than older processes.

Ride-sharing Plan—A ride-sharing system, installed in the Electrolux Corporation's Old Greenwich, Conn., plant, has eliminated managerial guesswork in certifying employees to their ration boards for extra gasoline and tires.

The heart of the plan is a wall chart and a large, detailed map. The garage location of each car is shown on the map by a pin which is colored to indicate the driver's working shift and bears the car's serial number. The wall chart lists the serial number of each car, the driver's name, and the name of each passenger he carries.

When a new employee applies for a ride, it is easy for the clerk to locate, almost instantly, the car nearest that residence which has space available on the applicant's shift. The clerk gives the driver's name, address, and department to the applicant, and the applicant's name, address, and department

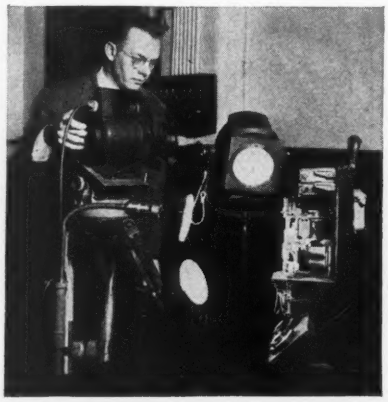
to the driver. When the two have succeeded in making a satisfactory arrangement the applicant returns his, or her, form filled in with the driver's name and the records are made to conform.

An important feature of the plan is the marking plate attached to each ride-sharing car, bearing its serial number and the company's trade-mark. The plates were first issued at the request of a number of women in the plant so that they might quickly identify the cars scheduled to pick them up during the early morning hours. The markers also make it easy for riders to find their respective cars in the parking yard when a shift goes off duty; and they publicly mark the vehicle as entitled to consideration for additional gasoline and tires.

Camera Stops Split-second Action—One hundred and sixty times quicker than a wink—8,000 winks a second. That's the claim made for a motion picture camera just recently developed by Bell Laboratories and manufactured by Western Electric Company. Its sponsors say that the device, which they propose to manufacture for limited commercial distribution, can photograph the split-second action of a high speed war machine.

Using 8 mm. and 16 mm. film—sometimes at the rate of 70 miles an hour—and called the "Fastax," this new camera, running at 8,000 frames a second, an exposure of 33 millionths of a second, is an invaluable tool for the research engineer. With this speed the Fastax can photograph action far too fast for the ordinary slow motion camera.

Bell Laboratories engineers aver that "movies" made with the Fastax and



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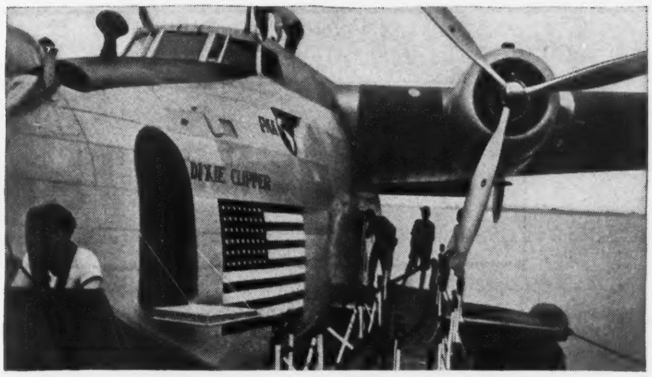
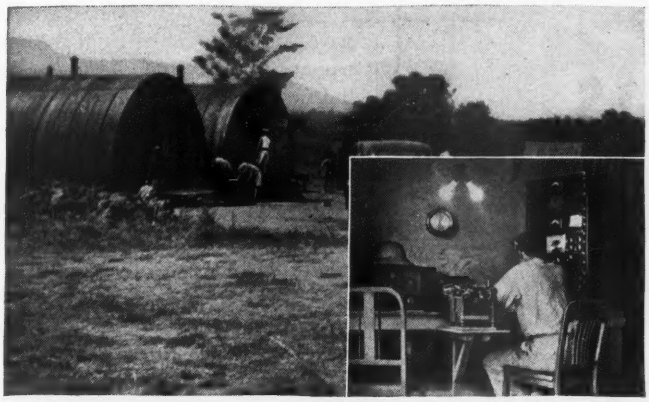


1. Secret Airport—*In the African wilds a Pan American World Airways plane floats at its dock. Before the war, Pan American foresight blazed many air trails now vital to the United Nations' war effort.* Among the machines that contribute to Pan American's efficient operation are those which help organize its thousands of essential details—office machines! In Pan American's accounting, traffic, clerical and executive offices, there you'll find the name Underwood Elliott Fisher.



2. No Casualties Permitted—*Unlike the 407 U. S. cities where service facilities on UEF machines are, even in wartime, as near as your telephone, such remote outposts as this airport must rely completely on the unfailing durability of its office machines. Here, Pan American installed Underwood typewriters.* Many of these machines are veterans in service, yet Pan American reports that all are on top of their jobs—that working without vacations, they have required remarkably little special attention.

3. Service in War—*Air crossroads of the world today is neutral Lisbon, Portugal. Here top priority passengers are shown leaving a Pan American Clipper after a 4-continent, on schedule, flight.* Also serving *you* in wartime UEF can supply adding and accounting machines under WPB regulations. We have been able to assist many companies with their wartime accounting problems. Ribbons, carbon papers, and complete maintenance service on all products are available from coast to coast.

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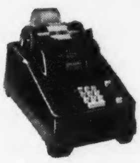
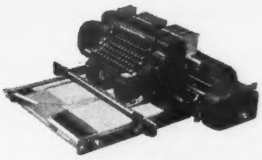
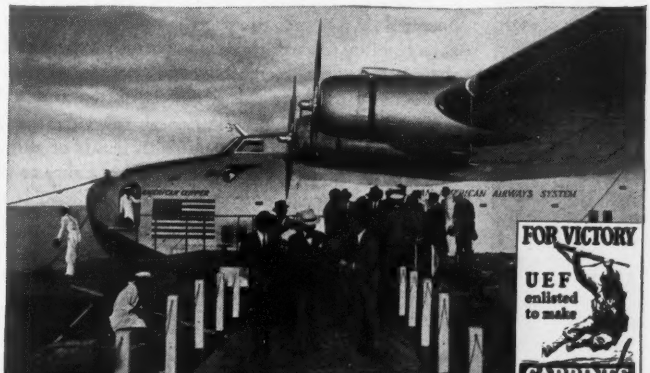


Underwood Sundstrand Adding-Figuring Machines



Underwood Elliott Fisher Accounting Machines



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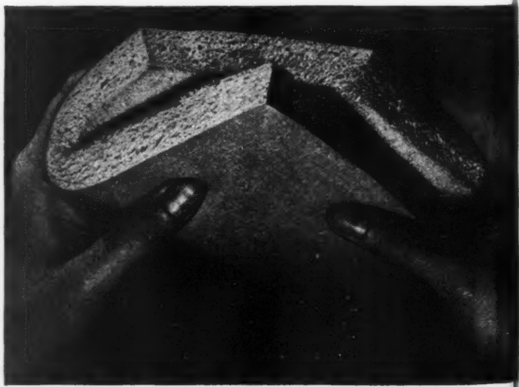
projected in slow motion can "bare the innermost secret of mechanical parts moving at lightning speed—that the camera even can slow down electricity itself." They add that Fastax has revealed to engineers frailties in communications and other equipment never before beheld by the human eye.

The camera has a film travel ranging from less than three to almost 70 miles an hour, adaptability to black and white and color photography, and the photography of self-luminous objects. The slower speeds have aided in determining stress and impact conditions of new equipment designs under test. The middle speeds (1,500 to 4,000 frames per second) have been used to study automatic operations, to survey the laboratory-controlled breakage of parts, and the causes of noisy operation in machines.

The camera employs continuous film drive, as distinguished from the stop-expose-advance cycle of the professional and amateur slow motion cameras.

Koroseal Sponge—A sponge made from Koroseal has been in production at B. F. Goodrich, Akron, Ohio, for several months. At first all available production was garnered by the military to use for crash padding in tanks, helmets, and other things where rubber sponge had been used. Now it is in large enough production to make some available for essential industry uses.

Koroseal, a plasticized polyvinyl chloride, is non-inflammable and has a similar high resistance to oils, greases, chemicals, and oxidation. Because it cannot be vulcanized like rubber, an entirely new technique, using a new synthetic ingredient, had to be devised by Goodrich technicians before it was possible to make the sponge.



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Read on the Run—Four U. S. cities have been named by the National Noise Abatement Council as winners of the 1943 achievement awards. They are Chicago, for cities of more than 500,000 population; Memphis, 250,000 to 500,000; Salt Lake City, 100,000 to 250,000, and Charleston, W. Va., less than 100,000. . . . Employees of Pullman-Standard Car Manufacturing Company, Hammond, Ind., were reported in August to have achieved a safety record for the preceding twelve months of only 1.01 lost time accidents for every million man-hours worked. . . An electronic device called the "mass spectrometer" soon will be aiding production of synthetic rubber. Its developer is Westinghouse Electric & Manufacturing Co., East Pittsburgh, Pa.

In response to a widespread desire of the grocery trade for a simple, uniform over-all pricing rule, OPA has extended the fixed mark-up method of figuring ceilings to almost all of the dry and perishable groceries carried by the average store.

DUN'S REVIEW

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More detailed breakdowns of those statistical data originally compiled by the publishers—business failures, bank clearings, building permits, and price indexes which are summarized and interpreted each month in DUN'S REVIEW (pages 14-22)—are published monthly in DUN'S STATISTICAL REVIEW, tables only, no text, $1 a year; $2 outside the United States.

PRICE CONTROL

(Continued from page 13)

for salt a half penny, for kneading a half penny, for candle a farthing, for wood 2 pence, for the sieve 3½ pence."

Four centuries later this method of price control still continued. In Essex, one Archer agreed to sell rye for 7 shillings a bushel but before the rye was delivered to his customers he raised the price to 9 shillings. At the trial the Bishop of London (Laud) commented on the evil deeds of the defendant, saying that Archer was guilty of a most foul offense in "grinding the faces of the poor." Here the court made the interesting observation that since there was plenty of corn to be purchased at a high price and none at a low price, the scarcity of the food was made by man and not by God.

From a very early date in the Christian era, two theories of prices were maintained, one according to the civil law, the other born of the canons of the church and the Christian doctrine of the New Testament.

Lawful Trade Defined

"Trade is rendered lawful," says Thomas Aquinas, "when the merchant seeks a moderate gain for the maintenance of his household, or for the relief of the indigent; but also when trade is carried on for the public good, in order that the country shall be furnished with the necessaries of life, and the gain is looked upon, not as the object, but as the wages of his labor."

On the other hand, the Roman doctrine was stated by Paulus, a third century lawyer, "In buying and selling a man has a natural right to purchase for a small price that which is really more valuable and to sell at a high price that which is less valuable, and each may seek to overreach the other."

More than two hundred years ago the English Counsel at Smyrna discovered fragments of what purported to be a price control law dating back sixteen centuries. Later, other parts of this edict were excavated in other sections of Asia Minor, and in Egypt and in Greece. Fourteen of the tablets were in Latin and fifteen in Greek, all copies of the law of the Emperor, Diocletian, in 301 A.D. and all alike except for occasional mistakes by the stonecutters.

This law, pieced together from the 29 stone fragments is, in part, as follows:

"It is our pleasure, therefore, that those prices which the subjoined written summary specifies, be held in observance throughout all our dominion that all may know that the license to go above the same has been cut off. It is our pleasure, also, that if any man shall have boldly come into conflict with this statute he shall put his life in peril. In the same peril also shall he be placed who, drawn along by avarice in his desire to buy, shall have conspired against this statute. Nor shall he be estimated innocent of the same crime who, having articles necessary for daily life and use, shall have decided hereafter that they can be held back, since the punishment ought to be heavier for him who causes need than for him who violates the laws."

Act Caused Bloodshed

Twelve or thirteen years later, Lactantius, called by St. Jerome the "Christian Cicero," wrote his work, "On the deaths of those who persecuted the Christians." Commenting on this attempt of the Emperor Diocletian to execute that price control act of the fourth century, he stated: "And when he had brought on a state of exceeding high prices by his different acts of injustice he tried to fix by law the prices of articles offered for sale. Thereupon for the veriest trifles much blood was shed and out of fear nothing was offered for sale and the scarcity grew much worse until after the death of many persons the law was repealed from necessity."

Within sixty years from the collapse of this attempt of Diocletian, his successor, Julian, made the same attempt at Antioch.

In India, about a thousand years before the Christian era, lived a sage, Manu, the son of Brahma, author of the Institutes of Manu. That ancient book, which is still preserved, contains the following law:

"After considering the place of importation and exportation, the storage, the gain and the loss of all goods bought and sold, let the king establish the price of purchase and sale. Every five days or at the expiration of every fortnight the king should settle the price of goods in the presence of the importers and traders."

THE FUTURE ROLE OF TAXATION

WHEN the Government required only a minor fraction of our national income, the provisions in the tax laws had little effect upon the operations of business except at a few specific points such as protective tariff rates. Today, tax rates have increased tremendously, although the basic pattern has changed little except for the temporary addition of the excess profits tax. Under existing rates the form, character, and even feasibility of many transactions, for example the merging of two corporations or the paying off of debt, are likely to be determined entirely by the provisions of tax laws. The present tax effects are a most important factor in many business decisions.

The tax pattern was designed for application when low rates made its economic significance unimportant, but it is a certain assumption that taxes will continue at high level for many years. Today, taxes cannot be considered from the point of view of Government revenue only. The whole tax system must be reviewed with its social and economic consequences in mind. The tax system today supplies both deterrent and incentive, many of them chance results of tax provisions established in the past in a low rate situation. The future tax laws must be redesigned to encourage the operations of business along constructive lines. Curiously enough, taxes can contribute greatly to the maintenance of a healthy and fully operating economic system.

Willard L. Thorp
EDITOR